

1 AMENDMENT TO SENATE BILL 1474

2 AMENDMENT NO. _____. Amend Senate Bill 1474 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Property Tax Code is amended by changing
5 Section 15-95 as follows:

6 (35 ILCS 200/15-95)

7 Sec. 15-95. Housing authorities; low-rent housing. All
8 property of housing authorities created under the Housing
9 Authorities Act is exempt, if the property and improvements
10 are used for low rent housing and related uses. In addition,
11 residential rental units, whether or not the property of a
12 housing authority, subject to a leasing agreement, regulatory
13 and operating agreement, or similar instrument with a housing
14 authority created under the Housing Authorities Act are
15 exempt if the residential rental units are used solely for
16 low-rent housing and related uses. However, property or
17 portions thereof intended or used for stores or other
18 commercial purposes are not exempt. Nothing herein shall
19 exempt property of housing authorities or any part thereof
20 from special assessments or special taxation for local
21 improvements. Nothing contained in this Section shall be
22 construed as limiting the power of any political subdivision

1 of this State to sell or furnish a housing authority with
2 water, electricity, gas, or other services and facilities
3 under the same basis that those services and facilities are
4 rendered to others under similar circumstances.

5 (Source: Laws 1959, p. 1549, 1554, 2219, and 2224; P.A.
6 88-455.)

7 Section 10. The Illinois Municipal Code is amended by
8 changing Sections 11-74.4-8 and 11-74.4-9 as follows:

9 (65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

10 Sec. 11-74.4-8. A municipality may not adopt tax
11 increment financing in a redevelopment project area after the
12 effective date of this amendatory Act of 1997 that will
13 encompass an area that is currently included in an enterprise
14 zone created under the Illinois Enterprise Zone Act unless
15 that municipality, pursuant to Section 5.4 of the Illinois
16 Enterprise Zone Act, amends the enterprise zone designating
17 ordinance to limit the eligibility for tax abatements as
18 provided in Section 5.4.1 of the Illinois Enterprise Zone
19 Act. A municipality, at the time a redevelopment project area
20 is designated, may adopt tax increment allocation financing
21 by passing an ordinance providing that the ad valorem taxes,
22 if any, arising from the levies upon taxable real property in
23 such redevelopment project area by taxing districts and tax
24 rates determined in the manner provided in paragraph (c) of
25 Section 11-74.4-9 each year after the effective date of the
26 ordinance until redevelopment project costs and all municipal
27 obligations financing redevelopment project costs incurred
28 under this Division have been paid shall be divided as
29 follows:

30 (a) That portion of taxes levied upon each taxable lot,
31 block, tract or parcel of real property which is attributable
32 to the lower of the current equalized assessed value or the

1 initial equalized assessed value of each such taxable lot,
2 block, tract or parcel of real property in the redevelopment
3 project area shall be allocated to and when collected shall
4 be paid by the county collector to the respective affected
5 taxing districts in the manner required by law in the absence
6 of the adoption of tax increment allocation financing.

7 (b) Except from a tax levied by a township to retire
8 bonds issued to satisfy court-ordered damages, that portion,
9 if any, of such taxes which is attributable to the increase
10 in the current equalized assessed valuation of each taxable
11 lot, block, tract or parcel of real property in the
12 redevelopment project area over and above the initial
13 equalized assessed value of each property in the project area
14 shall be allocated to and when collected shall be paid to the
15 municipal treasurer who shall deposit said taxes into a
16 special fund called the special tax allocation fund of the
17 municipality for the purpose of paying redevelopment project
18 costs and obligations incurred in the payment thereof. In any
19 county with a population of 3,000,000 or more that has
20 adopted a procedure for collecting taxes that provides for
21 one or more of the installments of the taxes to be billed and
22 collected on an estimated basis, the municipal treasurer
23 shall be paid for deposit in the special tax allocation fund
24 of the municipality, from the taxes collected from estimated
25 bills issued for property in the redevelopment project area,
26 the difference between the amount actually collected from
27 each taxable lot, block, tract, or parcel of real property
28 within the redevelopment project area and an amount
29 determined by multiplying the rate at which taxes were last
30 extended against the taxable lot, block, track, or parcel of
31 real property in the manner provided in subsection (c) of
32 Section 11-74.4-9 by the initial equalized assessed value of
33 the property divided by the number of installments in which
34 real estate taxes are billed and collected within the county;

1 provided that the payments on or before December 31, 1999 to
2 a municipal treasurer shall be made only if each of the
3 following conditions are met:

4 (1) The total equalized assessed value of the
5 redevelopment project area as last determined was not
6 less than 175% of the total initial equalized assessed
7 value.

8 (2) Not more than 50% of the total equalized
9 assessed value of the redevelopment project area as last
10 determined is attributable to a piece of property
11 assigned a single real estate index number.

12 (3) The municipal clerk has certified to the county
13 clerk that the municipality has issued its obligations to
14 which there has been pledged the incremental property
15 taxes of the redevelopment project area or taxes levied
16 and collected on any or all property in the municipality
17 or the full faith and credit of the municipality to pay
18 or secure payment for all or a portion of the
19 redevelopment project costs. The certification shall be
20 filed annually no later than September 1 for the
21 estimated taxes to be distributed in the following year;
22 however, for the year 1992 the certification shall be
23 made at any time on or before March 31, 1992.

24 (4) The municipality has not requested that the
25 total initial equalized assessed value of real property
26 be adjusted as provided in subsection (b) of Section
27 11-74.4-9.

28 The conditions of paragraphs (1) through (4) do not apply
29 after December 31, 1999 to payments to a municipal treasurer
30 made by a county with 3,000,000 or more inhabitants that has
31 adopted an estimated billing procedure for collecting taxes.
32 If a county that has adopted the estimated billing procedure
33 makes an erroneous overpayment of tax revenue to the
34 municipal treasurer, then the county may seek a refund of

1 that overpayment. The county shall send the municipal
2 treasurer a notice of liability for the overpayment on or
3 before the mailing date of the next real estate tax bill
4 within the county. The refund shall be limited to the amount
5 of the overpayment.

6 It is the intent of this Division that after the
7 effective date of this amendatory Act of 1988 a
8 municipality's own ad valorem tax arising from levies on
9 taxable real property be included in the determination of
10 incremental revenue in the manner provided in paragraph (c)
11 of Section 11-74.4-9. If the municipality does not extend
12 such a tax, it shall annually deposit in the municipality's
13 Special Tax Increment Fund an amount equal to 10% of the
14 total contributions to the fund from all other taxing
15 districts in that year. The annual 10% deposit required by
16 this paragraph shall be limited to the actual amount of
17 municipally produced incremental tax revenues available to
18 the municipality from taxpayers located in the redevelopment
19 project area in that year if: (a) the plan for the area
20 restricts the use of the property primarily to industrial
21 purposes, (b) the municipality establishing the redevelopment
22 project area is a home-rule community with a 1990 population
23 of between 25,000 and 50,000, (c) the municipality is wholly
24 located within a county with a 1990 population of over
25 750,000 and (d) the redevelopment project area was
26 established by the municipality prior to June 1, 1990. This
27 payment shall be in lieu of a contribution of ad valorem
28 taxes on real property. If no such payment is made, any
29 redevelopment project area of the municipality shall be
30 dissolved.

31 If a municipality has adopted tax increment allocation
32 financing by ordinance and the County Clerk thereafter
33 certifies the "total initial equalized assessed value as
34 adjusted" of the taxable real property within such

1 redevelopment project area in the manner provided in
 2 paragraph (b) of Section 11-74.4-9, each year after the date
 3 of the certification of the total initial equalized assessed
 4 value as adjusted until redevelopment project costs and all
 5 municipal obligations financing redevelopment project costs
 6 have been paid the ad valorem taxes, if any, arising from the
 7 levies upon the taxable real property in such redevelopment
 8 project area by taxing districts and tax rates determined in
 9 the manner provided in paragraph (c) of Section 11-74.4-9
 10 shall be divided as follows:

11 (1) That portion of the taxes levied upon each
 12 taxable lot, block, tract or parcel of real property
 13 which is attributable to the lower of the current
 14 equalized assessed value or "current equalized assessed
 15 value as adjusted" or the initial equalized assessed
 16 value of each such taxable lot, block, tract, or parcel
 17 of real property existing at the time tax increment
 18 financing was adopted, minus:

19 (i) the housing authority exemptions provided
 20 by Section 15-95 of the Property Tax Code in the
 21 redevelopment project area, and

22 (ii) the total current homestead exemptions
 23 provided by Sections 15-170 and 15-175 of the
 24 Property Tax Code in the redevelopment project area,
 25 shall be allocated to and when collected shall be paid by
 26 the county collector to the respective affected taxing
 27 districts in the manner required by law in the absence of
 28 the adoption of tax increment allocation financing.

29 (2) That portion, if any, of such taxes which is
 30 attributable to the increase in the current equalized
 31 assessed valuation of each taxable lot, block, tract, or
 32 parcel of real property in the redevelopment project
 33 area, over and above the initial equalized assessed value
 34 of each property existing at the time tax increment

1 financing was adopted, minus:

2 (i) the housing authority exemptions provided
3 by Section 15-95 of the Property Tax Code in the
4 redevelopment project area, and

5 (ii) the total current homestead exemptions
6 pertaining to each piece of property provided by
7 Sections 15-170 and 15-175 of the Property Tax Code
8 in the redevelopment project area,

9 shall be allocated to and when collected shall be paid to
10 the municipal Treasurer, who shall deposit said taxes
11 into a special fund called the special tax allocation
12 fund of the municipality for the purpose of paying
13 redevelopment project costs and obligations incurred in
14 the payment thereof.

15 The municipality may pledge in the ordinance the funds in
16 and to be deposited in the special tax allocation fund for
17 the payment of such costs and obligations. No part of the
18 current equalized assessed valuation of each property in the
19 redevelopment project area attributable to any increase above
20 the total initial equalized assessed value, or the total
21 initial equalized assessed value as adjusted, of such
22 properties shall be used in calculating the general State
23 school aid formula, provided for in Section 18-8 of the
24 School Code, until such time as all redevelopment project
25 costs have been paid as provided for in this Section.

26 Whenever a municipality issues bonds for the purpose of
27 financing redevelopment project costs, such municipality may
28 provide by ordinance for the appointment of a trustee, which
29 may be any trust company within the State, and for the
30 establishment of such funds or accounts to be maintained by
31 such trustee as the municipality shall deem necessary to
32 provide for the security and payment of the bonds. If such
33 municipality provides for the appointment of a trustee, such
34 trustee shall be considered the assignee of any payments

1 assigned by the municipality pursuant to such ordinance and
2 this Section. Any amounts paid to such trustee as assignee
3 shall be deposited in the funds or accounts established
4 pursuant to such trust agreement, and shall be held by such
5 trustee in trust for the benefit of the holders of the bonds,
6 and such holders shall have a lien on and a security interest
7 in such funds or accounts so long as the bonds remain
8 outstanding and unpaid. Upon retirement of the bonds, the
9 trustee shall pay over any excess amounts held to the
10 municipality for deposit in the special tax allocation fund.

11 When such redevelopment projects costs, including without
12 limitation all municipal obligations financing redevelopment
13 project costs incurred under this Division, have been paid,
14 all surplus funds then remaining in the special tax
15 allocation fund shall be distributed by being paid by the
16 municipal treasurer to the Department of Revenue, the
17 municipality and the county collector; first to the
18 Department of Revenue and the municipality in direct
19 proportion to the tax incremental revenue received from the
20 State and the municipality, but not to exceed the total
21 incremental revenue received from the State or the
22 municipality less any annual surplus distribution of
23 incremental revenue previously made; with any remaining funds
24 to be paid to the County Collector who shall immediately
25 thereafter pay said funds to the taxing districts in the
26 redevelopment project area in the same manner and proportion
27 as the most recent distribution by the county collector to
28 the affected districts of real property taxes from real
29 property in the redevelopment project area.

30 Upon the payment of all redevelopment project costs,
31 retirement of obligations and the distribution of any excess
32 monies pursuant to this Section, the municipality shall adopt
33 an ordinance dissolving the special tax allocation fund for
34 the redevelopment project area and terminating the

1 designation of the redevelopment project area as a
 2 redevelopment project area. Municipalities shall notify
 3 affected taxing districts prior to November 1 if the
 4 redevelopment project area is to be terminated by December 31
 5 of that same year. If a municipality extends estimated dates
 6 of completion of a redevelopment project and retirement of
 7 obligations to finance a redevelopment project, as allowed by
 8 this amendatory Act of 1993, that extension shall not extend
 9 the property tax increment allocation financing authorized by
 10 this Section. Thereafter the rates of the taxing districts
 11 shall be extended and taxes levied, collected and distributed
 12 in the manner applicable in the absence of the adoption of
 13 tax increment allocation financing.

14 Nothing in this Section shall be construed as relieving
 15 property in such redevelopment project areas from being
 16 assessed as provided in the Property Tax Code or as relieving
 17 owners of such property from paying a uniform rate of taxes,
 18 as required by Section 4 of Article 9 of the Illinois
 19 Constitution.

20 (Source: P.A. 91-190, eff. 7-20-99; 91-478, eff. 11-1-99;
 21 92-16, eff. 6-28-01.)

22 (65 ILCS 5/11-74.4-9) (from Ch. 24, par. 11-74.4-9)

23 Sec. 11-74.4-9. (a) If a municipality by ordinance
 24 provides for tax increment allocation financing pursuant to
 25 Section 11-74.4-8, the county clerk immediately thereafter
 26 shall determine (1) the most recently ascertained equalized
 27 assessed value of each lot, block, tract or parcel of real
 28 property within such redevelopment project area from which
 29 shall be deducted:

30 (i) the housing authority exemptions provided by
 31 Section 15-95 of the Property Tax Code, and

32 (ii) the homestead exemptions provided by Sections
 33 15-170 and 15-175 of the Property Tax Code,

1 which value shall be the "initial equalized assessed value"
 2 of each such piece of property, and (2) the total equalized
 3 assessed value of all taxable real property within such
 4 redevelopment project area by adding together the most
 5 recently ascertained equalized assessed value of each taxable
 6 lot, block, tract, or parcel of real property within such
 7 project area, from which shall be deducted:

8 (i) the housing authority exemptions provided by
 9 Section 15-95 of the Property Tax Code, and

10 (ii) the homestead exemptions provided by Sections
 11 15-170 and 15-175 of the Property Tax Code,
 12 and shall certify such amount as the "total initial equalized
 13 assessed value" of the taxable real property within such
 14 project area.

15 (b) In reference to any municipality which has adopted
 16 tax increment financing after January 1, 1978, and in respect
 17 to which the county clerk has certified the "total initial
 18 equalized assessed value" of the property in the
 19 redevelopment area, the municipality may thereafter request
 20 the clerk in writing to adjust the initial equalized value of
 21 all taxable real property within the redevelopment project
 22 area by deducting therefrom:

23 (i) the housing authority exemptions provided by
 24 Section 15-95 of the Property Tax Code, and

25 (ii) the homestead exemptions provided for by
 26 Sections 15-170 and 15-175 of the Property Tax Code
 27 applicable to each lot, block, tract or parcel of real
 28 property within such redevelopment project area. The county
 29 clerk shall immediately after the written request to adjust
 30 the total initial equalized value is received determine:

31 (i) the total housing authority exemptions in the
 32 redevelopment project area provided by Section 15-95 of
 33 the Property Tax Code, and

34 (ii) the total homestead exemptions in the

1 redevelopment project area provided by Sections 15-170
2 and 15-175 of the Property Tax Code
3 by adding together the homestead exemptions provided by said
4 Sections on each lot, block, tract or parcel of real property
5 within such redevelopment project area and then shall deduct
6 the total of said exemptions from the total initial equalized
7 assessed value. The county clerk shall then promptly certify
8 such amount as the "total initial equalized assessed value as
9 adjusted" of the taxable real property within such
10 redevelopment project area.

11 (c) After the county clerk has certified the "total
12 initial equalized assessed value" of the taxable real
13 property in such area, then in respect to every taxing
14 district containing a redevelopment project area, the county
15 clerk or any other official required by law to ascertain the
16 amount of the equalized assessed value of all taxable
17 property within such district for the purpose of computing
18 the rate per cent of tax to be extended upon taxable property
19 within such district, shall in every year that tax increment
20 allocation financing is in effect ascertain the amount of
21 value of taxable property in a redevelopment project area by
22 including in such amount the lower of the current equalized
23 assessed value or the certified "total initial equalized
24 assessed value" of all taxable real property in such area,
25 except that after he has certified the "total initial
26 equalized assessed value as adjusted" he shall in the year of
27 said certification if tax rates have not been extended and in
28 every year thereafter that tax increment allocation financing
29 is in effect ascertain the amount of value of taxable
30 property in a redevelopment project area by including in such
31 amount the lower of the current equalized assessed value or
32 the certified "total initial equalized assessed value as
33 adjusted" of all taxable real property in such area. The rate
34 per cent of tax determined shall be extended to the current

1 equalized assessed value of all property in the redevelopment
2 project area in the same manner as the rate per cent of tax
3 is extended to all other taxable property in the taxing
4 district. The method of extending taxes established under
5 this Section shall terminate when the municipality adopts an
6 ordinance dissolving the special tax allocation fund for the
7 redevelopment project area. This Division shall not be
8 construed as relieving property owners within a redevelopment
9 project area from paying a uniform rate of taxes upon the
10 current equalized assessed value of their taxable property as
11 provided in the Property Tax Code.

12 (Source: P.A. 88-670, eff. 12-2-94.)

13 Section 99. Effective date. This Act takes effect upon
14 becoming law."